



2016 Major Automated Information System Annual Report



Integrated Personnel and Pay System-Army Increment 2 (IPPS-A Inc 2)

Defense Acquisition Management
Information Retrieval
(DAMIR)

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Common Acronyms and Abbreviations for MAIS Programs

Acq O&M - Acquisition-Related Operations and Maintenance
ADM - Acquisition Decision Memorandum
AoA - Analysis of Alternatives
ATO - Authority To Operate
APB - Acquisition Program Baseline
BY - Base Year
CAE - Component Acquisition Executive
CDD - Capability Development Document
CPD - Capability Production Document
DAE - Defense Acquisition Executive
DoD - Department of Defense
DoDAF - DoD Architecture Framework
FD - Full Deployment
FDD - Full Deployment Decision
FY - Fiscal Year
IA - Information Assurance
IATO - Interim Authority to Operate
ICD - Initial Capability Document
IEA - Information Enterprise Architecture
IOC - Initial Operational Capability
IP - Internet Protocol
IT - Information Technology
KPP - Key Performance Parameter
\$M - Millions of Dollars
MAIS - Major Automated Information System
MAIS OE - MAIS Original Estimate
MAR – MAIS Annual Report
MDA - Milestone Decision Authority
MDD - Materiel Development Decision
MILCON - Military Construction
MS - Milestone
N/A - Not Applicable
O&S - Operating and Support
OSD - Office of the Secretary of Defense
PB - President's Budget
RDT&E - Research, Development, Test, and Evaluation
SAE - Service Acquisition Executive
TBD - To Be Determined
TY - Then Year
U.S.C- United States Code
USD(AT&L) - Under Secretary of Defense for Acquisition, Technology, & Logistics

Program Information

Program Name

Integrated Personnel and Pay System-Army Increment 2 (IPPS-A Inc 2)

DoD Component

Army

Responsible Office

Program Manager

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Date Assigned: May 2, 2014

References

MAIS Original Estimate

February 10, 2015

Approved APB

Defense Acquisition Executive (DAE) Approved Acquisition Program Baseline (APB) dated February 8, 2015

Program Description

The Integrated Personnel and Pay System-Army (IPPS-A) will provide the Army with an integrated, multi-Component (Active, National Guard, and Reserve), personnel and pay system which streamlines Army Human Resources (HR), enhances the efficiency and accuracy of Army personnel and pay procedures, and supports soldiers and their families. IPPS-A will be a web-based tool, available 24-hours a day, accessible to soldiers, HR professionals, Combatant Commanders, personnel and pay managers, and other authorized users throughout the Army. IPPS-A addresses major deficiencies in the delivery of military personnel and pay services and also provides internal controls and audit procedures that prevent erroneous payments and loss of funds.

IPPS-A Inc 2 will deliver fully integrated personnel and pay services for all Army Components (Active, National Guard, and Reserve), building on the trusted database delivered by the IPPS-A Inc 1 program. IPPS-A Inc 2 will improve the Army's financial management processes in support of military personnel and pay by linking the personnel and pay functions for all Army personnel eliminating duplicate data entry, reducing complex system maintenance, and minimizing pay discrepancies. IPPS-A Inc 2 will account for status changes between Active, Reserve, and National Guard components to ensure accurate service time, minimizing impact on individual pay, credit for service, and other benefits as well as enabling disciplined human resources management.

The Army will employ incremental development methods for IPPS-A Inc 2, with total system functionality delivered across four releases with each release incrementally building upon the design and capability of the prior release. When IPPS-A Inc 2 reaches FD, it will have fully or partially subsumed functionalities of over 40 legacy Army personnel and pay systems and will meet the full financial statement audit requirements as identified in the FY 2015 Statement of Budgetary Resources and the FY 2018 Full Financial Statement Audit Readiness Assertion.

Business Case

Business Case Analysis, including the Analysis of Alternatives: Key functional requirements for this program, which were articulated in the IPPS-A CDD dated July 7, 2010, and further identified in the IPPS-A Inc 2 Business Case, are summarized as:

- The Integrated Personnel and Pay System - Army shall be a single, integrated, virtual (web-based) personnel and pay system that supports all Army components (Active, National Guard, and Reserve).
- Commanders of all units shall have the ability to access personnel information.
- The system shall support the full range of personnel lifecycle activities.
- The Army personnel and pay system shall have the ability to generate standard and ad hoc reports. The system shall employ standard business processes.
- The Army personnel and pay system shall provide common functionality, common information and data exchange, and associated common core database across the Army.
- The system shall enable Service Members to better manage their own careers.

The IPPS-A program is leveraging the recommendation of the original Defense Integrated Military Human Resources System (DIMHRS) AoA dated January 8, 2003 to use a Commercial-off-the-Shelf (COTS) Enterprise Resource Planning (ERP) product to develop and implement IPPS-A. The MDA directed the continued use of the COTS ERP product in the DIMHRS Capability Way Ahead ADM dated September 8, 2009. This decision was validated by the Army in the Army DIMHRS Functional Assessment Final Report dated January 29, 2010.

Firm, Fixed-Price Feasibility: The determination of the IPPS-A Inc 2 development and implementation contract type was based on cost risk associated with the estimated cost of satisfying the requirement. The Army is using a combination of cost reimbursement, cost plus incentive fee with award fee provision, and firm fixed price contracts. The cost-type contract line items are for development tasks that are highly complex and technically challenging so that it is not feasible to precisely estimate the cost of satisfying the requirements. The fixed-price contract line items are for tasks where the requirements are sufficiently well defined.

Independent Cost Estimate: The program has not experienced a Critical Change which would induce the independent cost estimate required by 10 U.S.C. 2334(a)(6). However, IPPS-A Inc 2 completed an Independent Cost Estimate in support of the MS B Decision in December 19, 2014.

Certification of Business Case Alignment; Explanation: I certify that all technical and business requirements were reviewed and validated to ensure alignment with the business case. This certification is based on my review of the IPPS-A Inc 2 Business Case.

Business Case Certification:

Name: Mr. Douglas K. Wiltsie
Organization: Army/PEO Enterprise Information Services for IPPS-A Inc 2
CAC Subject: CN=WILTSIE.DOUGLAS.K.1024952718, OU=USA, OU=PKI, OU=DoD, O=U.S. Government, C=US
Date: 2/26/2015 05:33 PM

Business Case Changes

No significant changes to the business case analysis reported since the previous MAR submission to Congress.

Program Status

Annual Report: The program is substantially on track to remain within the schedule, cost and performance thresholds identified in the MAIS OE; there have been no Significant or Critical Changes (as defined by 10 U.S.C. Chapter 144A) reported since the previous MAR submission to Congress.

Schedule

Schedule Events		
Events	Original Estimate Objective	Current Estimate (Or Actual)
Milestone B	Dec 2014	Dec 2014
Milestone C	Jul 2019	Jul 2019
Full Deployment Decision	Nov 2019	Nov 2019
Full Deployment	TBD	TBD

Performance

Performance Characteristics		
Original Estimate Objective/Threshold		Current Estimate (Or Actual)
Create a Single Multi-Component Service Record		
> 95% reduction in number of Soldiers accounted for by more than one Component in a present for duty status.	> 75% reduction in number of Soldiers accounted for by more than one Component in a present for duty status.	Will Meet Threshold
Streamline Data Entry Process Using Single-Input, Near Real-Time Updating Capability		
> 95% reduction in number of data fields requiring duplicate input to populate IPPS-A personnel and pay functionality.	> 75% reduction in number of data fields requiring duplicate input to populate IPPS-A personnel and pay functionality.	Will Meet Threshold
Operational Availability¹		
Ao =99.9%. Mean Time Between System Aborts (MTBSA) = 2688hrs. Mean Time to Repair (MTTR) = 2.7hrs	Ao = 99%. MTBSA = 672 hrs. MTTR = 6.7hrs	Will Meet Threshold
Net Ready: Support Net-Centric Military Operations		
99% of multi-Component strength information is available in the system for accounting and manning purposes within 10 seconds.	99% of multi-Component strength information is available in the system for accounting and manning purposes within 60 seconds of having been saved.	Will Meet Threshold
Net Ready: Enter and Be Managed In the Network		
90% of connections within a 1 month period in 2 seconds or less.	90% of connections within a 1 month period in 5 seconds or less.	Will Meet Threshold
Net Ready: Data Exchanges (Joint Systems)		
100% of pay-impacting transactions received through an interface will be processed accurately by IPPS-A. 100% of pay-impacting data provided to external systems will accurately reflect the authoritative source data in the IPPS-A database.	98% of pay-impacting transactions received through an interface will be processed accurately by IPPS-A. 98% of pay-impacting data provided to external systems will accurately reflect the authoritative source data in the IPPS-A database.	Will Meet Threshold
Data Exchanges (Non-Joint Systems)		
100% of pay-impacting transactions received through an interface will be processed accurately by IPPS-A. 100% of pay-impacting data provided to external systems will accurately reflect the authoritative source data in the IPPS-A database.	98% of pay-impacting transactions received through an interface will be processed accurately by IPPS-A. 98% of pay-impacting data provided to external systems will accurately reflect the authoritative source data in the IPPS-A database.	Will Meet Threshold
Provide Soldier a Self-Service Personnel and Pay Capability		
50% Increase in number of online individual personnel and pay updates or requests available to the Soldier.	30% Increase in number of online individual personnel and pay updates or requests available to the Soldier.	Will Meet Threshold

Memo

1/ Calculations for the Ao HLO are as follows:

Ao is the percentage of time that the system is operationally capable of performing assigned mission as measured by $MTBSA/(MTBSA+MTTR)$

MTBSA is the total number of operating hours divided by the total number of System Aborts.

MTTR is the total corrective maintenance time divided by the total number of corrective maintenance actions.

Acronyms and Abbreviations

% - percent

Ao - Operational Availability

HLO - High-Level Outcome

MTBSA - Mean Time Between System Aborts

MTTR - Mean Time to Repair

Cost

IPPS-A Inc 2				
Appropriation Category	BY 2015 \$M		TY \$M	
	Original Estimate	Current Estimate Or Actual	Original Estimate	Current Estimate Or Actual
Acquisition Cost				
RDT&E	644.3	660.6	696.2	705.4
Procurement	81.5	101.4	90.7	111.0
MILCON	0.0	0.0	0.0	0.0
Acq O&M	0.0	0.0	0.0	0.0
Total Acquisition Cost	725.8	762.0	786.9	816.4
Operating and Support (O&S) Cost				
Total Operating and Support (O&S) Cost	1025.2	1025.2	1261.7	1261.7
Total Life-Cycle Cost				
Total Life-Cycle Cost	1751.0	1787.2	2048.6	2078.1

Cost Notes

1. This report and the Budget Year IT-1 Exhibit cover different time periods thus the costs will not match.
2. Then Year dollars are included for information purposes only; cost variances will be reported against Base Year dollars.
3. The O&S costs reflect all work performed during that phase, regardless of the type or source of funding.